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Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

In the Matter of:)
)
Implementation of Section 17)
of the Cable Television Consumer) f
Protection and Competition Act of 1992) ET Do¢ket No.
) 93-7 /
Compatibility Between Cable Systems and)/
Consumer Electronics Equipment)

SUPPLEMENTAL COMMENTS OF THE UNITED STATES TELEPHONE ASSOCIATION

The United States Telephone Association (USTA) respectfully submits these comments pursuant to the Commission's Public Notice, DA 93-954, released on July 26, 1993. The Commission stated in the Notice that the Cable-Consumer Electronics Compatibility Advisory Group (Advisory Group), consisting of representatives from the cable and consumer electronics industries, had made a supplemental filing with the Commission subsequent to completion of the pleading cycle on the Notice of Inquiry (NOI) in this proceeding. The Advisory Group's filing contains proposals which identify a set of short-term and long-term measures on issues of technical compatibility between cable systems and consumer electronics equipment. The Commission seeks additional public comments on the Advisory Group's supplemental proposal.

USTA continues to encourage a thorough assessment of the current and emerging technology environment to assure that the Commission's standards-setting rules will be

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open and pro-competitive. As a long-term goal, the Commission should target the concept of universal compatibility, aimed at promoting compatibility at reasonable cost between delivery standards on the one hand, and consumer and other equipment that facilitates home reception of video programming on the other. The constant changes in the video marketplace environment demand that the Commission broadens the range of involved participants to other players in that market, e.g. wireless cable providers, video dial tone network providers and purveyors of optical fiber options.¹

USTA's premise was widely shared by other commenters in the NOI proceeding. The Local Government Parties (The National Association of Telecommunications Officers and Advisors, the National League of Cities, the United States Conference of Mayors, and the National Association of Counties) cautioned that the Commission should not limit its consultations to a committee composed of representatives from the cable and consumer electronics industries only. Rather, it should encourage the formation of a committee that represents the views of all interested parties in this proceeding.² BellSouth and Bell Atlantic urged the Commission to bring all relevant industry interests together under a common umbrella to assist in developing compatibility standards, and to ensure the unimpeded development of new technologies which will compete with cable. They emphasized that any resulting standards that may be adopted should be sufficiently flexible to accommodate new services and new technologies.³

¹ See USTA's comments in response to the NOI filed on March 22, 1993.

² Reply comments of Local Government at 3-6.

³ See, e.g., BellSouth comments at 2; Bell Atlantic reply comments at 4-5.

AT&T also recognized the importance of participatory standards-setting and technological compatibility as new technologies and services are deployed. It argued that the most efficient process for developing workable, standardized interfaces is an industry group comprised of representatives of <u>all</u> affected industry sectors, <u>e.g.</u>, cable companies, consumer equipment manufacturers, service providers, and representatives of other communications media.⁴

In light of the above, the Advisory Group's supplemental proposal contains some serious limitations because of its narrow focus. It was also vague on equipment and delivery costs. The limitations discussed below highlight the urgent need for broader industry representation in technology and equipment standards-setting.

- The supplemental proposal states that cable operators can sell or rent RF bypass circuity that delivers all unscrambled signals directly to the subscribers' TV or VCR, thereby allowing the subscribers to access unscrambled signals in the same manner as if there were a direct connection to an antenna. This proposal does not appear to work for current ADSL technology because ADSL now delivers only one channel to the television at a time. In fact, some local exchange carriers are considering ADSL technology for delivery of video-on-demand type services.
 - o In discussing the analog/digital decorder interface for cable companies, the supplemental proposal fails to take into account the varying network

⁴ AT&T reply comments at 3-4.

- interfaces that different video services might use, as well as the needs of all service providers and subscribers.
- The supplemental proposal would require cable operators to charge consumers monthly rentals for set-back decoders and dual descramblers. This equipment is relatively expensive and not particularly user-friendly. This proposal conflicts with the principle of reasonable costs and equipment compatibility.

Assuming the Commission is willing to widen the universe of representation, USTA does not envision any problems with the Advisory Group's proposed new timetable for defining "cable-ready" by 1993; transmission and tuner specifications by 1994; and setting target dates for standards for decompression and a security interface system by 1995. This new schedule would allow additional time for innovation and experimentation prior to setting standards.

Given the technology revolution currently underway in the video marketplace, the Commission should not take a narrow view — specific to cable — of what the technology standards should accommodate. Rather, the Commission should assemble a more representative body to examine standardized interfaces for multimedia consumer electronics and explore interfaces which work well for all communications media. A limited approach applicable to cable services only would mean that the Commission has to resolve the same compatibility issue all over again when other communications technologies such as satellite, digital fiber and ADSL are widely introduced into the

video services marketplace. Such a procedure will favor established incumbent cable systems.

Respectfully submitted,

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August 10, 1993

CERTIFICATE OF SERVICE

I, Robyn L.J. Davis, do certify that on August 10, 1993 copies of the Supplemental Comments of the United States Telephone Association were either hand-delivered, or deposited in the U.S. Mail, first-class, postage prepaid to the persons on the attached service list.

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